

AMENDED IN ASSEMBLY APRIL 1, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 1320

Introduced by Assembly Member Dutra

February 21, 2003

~~An act to amend Section 99314.6 of, and to add and repeal Section 99268.17 of, the Public Utilities Code, relating to transportation. An act to amend Sections 65460.2 and 65460.4 of the Government Code, and to amend Section 33030 of, and to add Chapter 4.7 (commencing with Section 33499) to Part 1 of Division 24 of, the Health and Safety Code, relating to transit village plans.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 1320, as amended, Dutra. ~~Transportation: cost recovery and fund allocation~~ *Transit village plan: design.*

(1) The Transit Village Development Planning Act of 1994 authorizes a city or county to prepare a transit village plan for a transit village development district that includes all land within not less than $\frac{1}{4}$ mile of the exterior boundary of the parcel on which is located a rail transit station and addresses specified characteristics, including a neighborhood centered around a transit station that is planned and designed, as specified, and demonstrable public benefits that reduce traffic congestion. The Community Redevelopment Law specifies both the physical and economic conditions that cause blight.

This bill would extend the surrounding land of a transit village development district to $\frac{1}{2}$ mile from a rail transit station.

The bill would also specify conditions that constitute blight with respect to land surrounding a rail transit station.

This bill would also enact an alternative method of adoption and amendment of a redevelopment plan that would authorize a city or county that has adopted a transit village plan area to adopt a new Transit Village Redevelopment Plan, as specified, to include in a redevelopment project area all or a portion of an existing transit village plan area and to enable 2 or more adjoining local agencies to enter into an agreement to jointly establish and operate the new redevelopment plan for a Transit Village Redevelopment Project Area, as specified.

~~Existing law authorizes operators to file specified claims for operating costs with a transportation planning agency.~~

~~This bill would until January 1, 2008, exclude from operating costs when calculating fare revenue ratios, specified expenses to the extent they exceed 125% of the operator's costs in the prior year.~~

~~Existing law provides that funds in the State Transportation Fund contained in the Transportation Planning and Development Account shall be available, when appropriated by the Legislature, only for specified transportation planning and mass transportation purposes. Under existing law, funds from this account are allocated by the Controller to each transportation planning agency and county transportation commission and the San Diego Metropolitan Transit Development Board. Existing law precludes this allocation for operating costs, however, to an operator that fails to meet specified efficiency standards, which are based on the operating cost per revenue vehicle hour. Under existing law, a transportation planning agency, a county transportation commission, and the San Diego Metropolitan Transit Development Board may adjust the calculation of operating costs and revenue vehicle hours based on the exclusion of cost increases beyond the change in the Consumer Price Index for specified items and on the exclusion of startup costs for new services.~~

~~This bill would require a transportation planning agency, a county transportation commission, and the San Diego Metropolitan Transit Board to adjust the calculation of operating costs and vehicle hours for purposes of the efficiency standards. The bill would also delete the Consumer Price Index as the cost increase measurement standard and would, instead, exclude cost increases in excess of 125% of the operator's cost in the prior year for specified items. The bill would add to those items costs for power and settlement payments.~~

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.



The people of the State of California do enact as follows:

~~SECTION 1.—Section 99268.17 is added to the Public Utilities~~

SECTION 1. Section 65460.2 of the Government Code is amended to read:

65460.2. A city or county may prepare a transit village plan for a transit village development district that addresses the following characteristics:

(a) A neighborhood centered around a transit station that is planned and designed so that residents, workers, shoppers, and others find it convenient and attractive to patronize transit.

(b) A mix of housing types, including apartments, within not more than a ~~quarter~~ half mile of the exterior boundary of the parcel on which the transit station is located.

(c) Other land uses, including a retail district oriented to the transit station and civic uses, including day care centers and libraries.

(d) Pedestrian and bicycle access to the transit station, with attractively designed and landscaped pathways.

(e) A rail transit system that should encourage and facilitate intermodal service, and access by modes other than single occupant vehicles.

(f) Demonstrable public benefits beyond the increase in transit usage, including all of the following:

(1) Relief of traffic congestion.

(2) Improved air quality.

(3) Increased transit revenue yields.

(4) Increased stock of affordable housing.

(5) Redevelopment of depressed and marginal inner-city neighborhoods.

(6) Live-travel options for transit-needy groups.

(7) Promotion of infill development and preservation of natural resources.

(8) Promotion of a safe, attractive, pedestrian-friendly environment around transit stations.

(9) Reduction of the need for additional travel by providing for the sale of goods and services at transit stations.

(10) Promotion of job opportunities.

(11) Improved cost-effectiveness through the use of the existing infrastructure.

1 (12) Increased sales and property tax revenue.

2 (13) Reduction in energy consumption.

3 (g) Sites where a density bonus of at least 25 percent may be
4 granted pursuant to specified performance standards.

5 (h) Other provisions that may be necessary, based on the report
6 prepared pursuant to subdivision (b) of former Section 14045, as
7 enacted by Section 3 of Chapter 1304 of the Statutes of 1990.

8 *SEC. 2. Section 65460.4 of the Government Code is amended*
9 *to read:*

10 65460.4. A transit village development district shall include
11 all land within not more than a ~~quarter~~ half mile of the exterior
12 boundary of the parcel on which is located a rail transit station
13 designated by the legislative body of a city, county, or city and
14 county that has jurisdiction over the station area.

15 For purposes of this article, “district” means a transit village
16 development district as defined in this section.

17 *SEC. 3. Section 33030 of the Health and Safety Code is*
18 *amended to read:*

19 33030. (a) ~~It is found and declared~~ *The Legislature finds and*
20 *declares* that there exist in many communities blighted areas
21 which constitute physical and economic liabilities, requiring
22 redevelopment in the interest of the health, safety, and general
23 welfare of the people of these communities and of the state.

24 (b) A blighted area is one that contains both of the following:

25 (1) An area that is predominantly urbanized, as that term is
26 defined in Section 33320.1, and is an area in which the
27 combination of conditions set forth in Section 33031 is so
28 prevalent and so substantial that it causes a reduction of, or lack of,
29 proper utilization of the area to ~~such~~ an extent that it constitutes a
30 serious physical and economic burden on the community which
31 cannot reasonably be expected to be reversed or alleviated by
32 private enterprise or governmental action, or both, without
33 redevelopment.

34 (2) An area that is characterized by either of the following:

35 (A) One or more conditions set forth in any paragraph of
36 subdivision (a) of Section 33031 and one or more conditions set
37 forth in any paragraph of subdivision (b) of Section 33031.

38 (B) The condition described in paragraph (4) of subdivision (a)
39 of Section 33031.

(c) A blighted area also may be one that contains the conditions described in subdivision (b) and is, in addition, characterized by the existence of inadequate public improvements, parking facilities, or utilities.

(d) A blighted area may also be one that meets all of the following criteria:

(1) The area is predominantly urbanized, as defined in Section 33320.1.

(2) The area includes a rail transit station and surrounding land, provided that all of the surrounding land is not more than a half mile from the exterior boundary of the parcel on which is located the rail transit station.

(3) The community has adopted a transit village plan pursuant to the Transit Village Development Planning Act of 1994 (Article 8.5 (commencing with Section 65460) of Chapter 3 of Division 1 of Title 7 of the Government Code), and that transit village plan permits a higher density of development than the development that currently exists in the area.

(4) The higher density of development that is permitted by the transit village plan would not reasonably be expected to be achieved by private enterprise or government action, or both, without redevelopment.

SEC. 4. Chapter 4.7 (commencing with Section 33499) is added to Part 1 of Division 24 of the Health and Safety Code, to read:

CHAPTER 4.7. TRANSIT VILLAGE REDEVELOPMENT PROJECT AREAS

33499. With enactment of this chapter, it is the intent of the Legislature to do both of the following:

(a) Provide cities and counties with a means to facilitate redevelopment of territory within a transit village plan area established by the legislative body of the community pursuant to the Transit Village Development Planning Act of 1994 (Article 8.5 (commencing with Section 65460) of Chapter 3 of Division 1 of Title 7 of the Government Code).

(b) Enable redevelopment agencies to include in a redevelopment project area all or a portion of a transit village plan area and thereby utilize the powers of this part with respect to those transit village plan areas.

1 33499.1. *The Legislature finds and declares that*
2 *extraordinary measures must be taken to facilitate the*
3 *redevelopment of transit village plan areas and thereby promote*
4 *the purposes set forth in the Transit Village Development Planning*
5 *Act of 1994 (Article 8.5 (commencing with Section 65460) of*
6 *Chapter 3 of Division 1 of Title 7 of the Government Code).*

7 33499.2. *Nothing in this chapter shall preclude two or more*
8 *adjoining cities or counties or their redevelopment agencies, as*
9 *applicable, from entering into agreements to jointly establish and*
10 *operate a redevelopment plan for a transit village redevelopment*
11 *project area if the transit village plan areas are contiguous and*
12 *each city or county has adopted a transit village plan pursuant to*
13 *the Transit Village Development Planning Act of 1994 (Article 8.5*
14 *(commencing with Section 65460) of Chapter 3 of Division 1 of*
15 *Title 7 of the Government Code).*

16 33499.3. *The provisions of this chapter set forth an*
17 *alternative method of adoption and amendment of redevelopment*
18 *plans and shall not prevent an agency and legislative body from*
19 *adopting or amending redevelopment plans pursuant to other*
20 *provisions of this part.*

21 33499.4. (a) *For each transit village plan area that a city or*
22 *county has adopted pursuant to the Transit Village Development*
23 *Planning Act of 1994 (Article 8.5 (commencing with Section*
24 *65460) of Chapter 3 of Division 1 of Title 7 of the Government*
25 *Code), the city or county, following the procedures set forth in*
26 *Chapter 4 (commencing with Section 33300) of this part except to*
27 *the extent inconsistent with this chapter, may adopt a new*
28 *redevelopment plan to be known as a Transit Village*
29 *Redevelopment Plan, provided that the territory included in the*
30 *new Transit Village Redevelopment Plan shall not, at the time of*
31 *adoption of such plan, be located within an existing redevelopment*
32 *project area. The new Transit Village Redevelopment Plan shall*
33 *include as the redevelopment project area only territory*
34 *encompassed by the transit village plan and may include all or a*
35 *portion of such transit village plan area. The designated area shall*
36 *be known as a Transit Village Redevelopment Project Area. A new*
37 *Transit Village Redevelopment Plan shall not be adopted unless*
38 *the proposed Transit Village Redevelopment Project Area is found*
39 *by the legislative body of the city or county to be a blighted area*

pursuant to the criteria set forth in subdivision (d) of Section 33030.

(b) If there is an existing redevelopment plan that includes, within the boundaries of its redevelopment project area, a transit village plan area that the city or county has adopted pursuant to the Transit Village Development Planning Act of 1994 (Article 8.5 (commencing with Section 65460) of Chapter 3 of Division 1 of Title 7 of the Government Code), the city or county may amend the existing redevelopment plan, pursuant to the procedures set forth in Article 12 (commencing with Section 33450), to redesignate all or a portion of the transit village plan area as a Transit Village Redevelopment Project Area. The base year applicable to the Transit Village Redevelopment Project Area established by amendment to an existing redevelopment plan pursuant to this subdivision shall be the base year that was established for the existing project area. In adopting the amendment described in this subdivision, neither the local agency nor the legislative body of the city or county is required to comply with provisions of Section 33354.6.

33499.5. (a) A new Transit Village Redevelopment Plan adopted pursuant to subdivision (a) of Section 33499.4 contains the provisions set forth in Section 33670 shall contain all of the following limitations:

(1) (A) A time limit on the establishing of loans, advances, and indebtedness to be paid with the proceeds of property taxes received pursuant to Section 33670 to finance in whole or in part the redevelopment project, which time limit may not exceed 30 years from the adoption of the Transit Village Redevelopment Plan, except by amendment of the Transit Village Redevelopment Plan as authorized by subparagraph (B). This time limit, however, shall not prevent local agencies from incurring debt to be paid from the Low and Moderate Income Housing Fund or establishing more debt in order to fulfill the agency's housing obligations under Section 33413. The loans, advances, or indebtedness may be repaid over a period of time longer than this time limit as provided in this section. No loans, advances, or indebtedness to be repaid from the allocation of taxes shall be established or incurred by the local agency beyond this time limitation. This limitation shall not prevent agencies from refinancing, refunding, or restructuring indebtedness after the time limit if the indebtedness is not

1 *increased other than by the costs of issuance of the indebtedness,*
2 *and the time during which the indebtedness is to be repaid is not*
3 *extended beyond the time limit to repay indebtedness required by*
4 *this section.*

5 *(B) The time limitation established by subparagraph (A) may*
6 *be extended only by amendment of the Transit Village*
7 *Redevelopment Plan after the local agency finds, based on*
8 *substantial evidence, that (i) significant blight remains within the*
9 *Transit Village Redevelopment Project Area, and (ii) this blight*
10 *cannot be eliminated without the establishment of additional debt.*

11 *(2) A time limit, not to exceed 40 years from the adoption of the*
12 *Transit Village Redevelopment Plan, on the effectiveness of the*
13 *redevelopment plan. After the time limit on the effectiveness of the*
14 *Transit Village Redevelopment Plan, the local agency shall have*
15 *no authority to act pursuant to the Transit Village Redevelopment*
16 *Plan except to pay previously incurred indebtedness and to enforce*
17 *existing covenants or contracts, unless the local agency has not*
18 *completed its housing obligations pursuant to Section 33413, in*
19 *which case the local agency shall retain its authority to implement*
20 *requirements under Section 33413, including its ability to incur*
21 *and pay indebtedness for this purpose, and shall use this authority*
22 *to complete these housing obligations as soon as is reasonably*
23 *possible.*

24 *(3) A time limit, not to exceed 60 years from the adoption of the*
25 *Transit Village Redevelopment Plan, to repay indebtedness with*
26 *the proceeds of property taxes received pursuant to Section 33670.*
27 *After the time limit established pursuant to this paragraph, a local*
28 *agency may not receive property taxes pursuant to Section 33670.*

29 *(4) A time limit, not to exceed 12 years from the date of adoption*
30 *of the Transit Village Redevelopment Plan, for commencement of*
31 *eminent domain proceedings to acquire property within the Transit*
32 *Village Redevelopment Project Area. This time limitation may be*
33 *extended only by amendment of the redevelopment plan.*

34 *(b) If an existing redevelopment plan containing the provisions*
35 *set forth in Section 33670 is amended pursuant to subdivision (b)*
36 *of Section 33499.4, the amendment shall contain the time limits set*
37 *forth in subdivision (a) of this section but the time limits shall (1)*
38 *be applicable only to the territory designated as the Transit Village*
39 *Redevelopment Project Area, (2) be effective as of the date of*
40 *adoption of the amendment, and (3) supersede the limits in the*

1 existing redevelopment plan with respect to the area redesignated
2 as the Transit Village Redevelopment Project Area.

3 33499.6. In adopting a new Transit Village Redevelopment
4 Plan pursuant to subdivision (a) of Section 33499.4, or the
5 amendment to an existing redevelopment plan described in
6 subdivision (b) of Section 33499.4, the local agency shall prepare
7 the appropriate environmental document pursuant to the
8 requirements of the California Environmental Quality Act
9 (Division 13 (commencing with Section 21000 of the Public
10 Resources Code).

11 33499.7. Notwithstanding any other provision of law to the
12 contrary, Sections 33607.5 and 33607.7 shall not apply to the
13 adoption of a new Transit Village Redevelopment Plan pursuant
14 to subdivision (a) of Section 33499.4 and the local agency shall not
15 be required to make the payments specified in Section 33607.5 or
16 33607.7 as a result of this adoption.

17 33499.8. Notwithstanding any other provision of law to the
18 contrary, Sections 33607.5 and 33607.7 shall not apply to the
19 adoption of an amendment to an existing redevelopment plan
20 pursuant to subdivision (b) of Section 33499.4, and the local
21 agency shall not be required to make the payments specified in
22 Section 33607.5 or 33607.7 as a result of this adoption. This
23 section shall be the exclusive provision pertaining to a local
24 agency's payment to taxing entities resulting from the adoption of
25 an amendment to an existing redevelopment plan pursuant to
26 subdivision (b) of Section 33499.4.

27 (a) If an agreement exists between the local agency and a
28 taxing entity entered into prior to January 1, 1994, the local
29 agency shall continue to make the payments to that taxing entity
30 as required by the agreement, but the local agency shall be
31 permitted in each fiscal year following the fiscal year in which the
32 redevelopment plan amendment, adopted pursuant to subdivision
33 (b) of Section 33499.4, was adopted, to deduct from the payment
34 the "Transit Village Tax Increment Portion" as defined in
35 subdivision (c) of this section.

36 (b) If subdivision (a) of this section does not apply and if the
37 local agency has been making payments to one or more taxing
38 entities pursuant to Section 33607.5 or Section 33607.7, the local
39 agency shall continue to make the payments to each taxing entity,
40 but the local agency shall be permitted in each fiscal year

1 following the fiscal year in which the redevelopment plan
2 amendment adopted pursuant to subdivision (b) of Section
3 33499.4 was adopted, to deduct from the payment the “Transit
4 Village Tax Increment Portion” as defined in subdivision (c) of this
5 section.

6 (c) As used in this section, the term “Transit Village Tax
7 Increment Portion” shall mean the tax increment that otherwise
8 would be paid to a taxing entity that is derived from increases in
9 the assessed value of property within the Transit Village
10 Redevelopment Project Area over the assessed value of property
11 within the Transit Village Redevelopment Project Area existing in
12 the fiscal year in which the amendment to the redevelopment plan
13 pursuant to subdivision (b) of Section 33499.4 was adopted.

14 (d) As used in this section, the term “fiscal year” shall mean the
15 period commencing on July 1 and ending on the following June 30.
16 Code, to read:

17 ~~99268.17. (a) Notwithstanding subdivision (a) of Section~~
18 ~~99247, the following costs shall be excluded from the definition~~
19 ~~of operating cost for the purposes of calculating any required ratios~~
20 ~~of fare revenues to operating cost specified in this article:~~

21 ~~(1) The additional operating costs required to provide~~
22 ~~comparable complementary paratransit service as required by~~
23 ~~Section 37.121 of Title 49 of the Code of Federal Regulations,~~
24 ~~pursuant to the Americans with Disabilities Act of 1990 (42 U.S.C.~~
25 ~~Sec. 12101 et seq.), as identified in the operator’s paratransit plan~~
26 ~~pursuant to Section 37.139 of Title 49 of the Code of Federal~~
27 ~~Regulations that exceed 125 percent of the operator’s costs~~
28 ~~required to provide comparable complementary paratransit~~
29 ~~service in the prior year.~~

30 ~~(2) The additional costs of liability insurance premiums and~~
31 ~~payments in settlement of claims arising out of the operator’s~~
32 ~~liability that exceed 125 percent of the operator’s liability~~
33 ~~insurance premiums and payments in settlement of claims in the~~
34 ~~prior year.~~

35 ~~(3) The additional costs of power and fuel, including diesel~~
36 ~~fuel, gasoline, natural gas, and electricity, that exceed 125 percent~~
37 ~~of the operator’s costs for power and fuel in the prior year.~~

38 ~~(b) This section shall remain in effect only until January 1,~~
39 ~~2008, and as of that date is repealed, unless a later enacted statute,~~

1 ~~which is enacted before January 1, 2008, deletes or extends that~~
2 ~~date.~~

3 ~~SEC. 2. Section 99314.6 of the Public Utilities Code is~~
4 ~~amended to read:~~

5 ~~99314.6. Except as provided in Section 99314.7, the~~
6 ~~following eligibility standards apply:~~

7 ~~(a) Except as provided in subdivision (b), funds shall not be~~
8 ~~allocated for operating purposes pursuant to Sections 99313 and~~
9 ~~99314 to an operator unless the operator meets either of the~~
10 ~~following efficiency standards:~~

11 ~~(1) The operator's total operating cost per revenue vehicle hour~~
12 ~~in the latest year for which audited data are available does not~~
13 ~~exceed the sum of the preceding year's total operating cost per~~
14 ~~revenue vehicle hour and an amount equal to the product of the~~
15 ~~percentage change in the Consumer Price Index for the same~~
16 ~~period multiplied by the preceding year's total operating cost per~~
17 ~~revenue vehicle hour.~~

18 ~~(2) The operator's average total operating cost per revenue~~
19 ~~vehicle hour in the latest three years for which audited data are~~
20 ~~available does not exceed the sum of the average of the total~~
21 ~~operating cost per revenue vehicle hour in the three years~~
22 ~~preceding the latest year for which audited data are available and~~
23 ~~an amount equal to the product of the average percentage change~~
24 ~~in the Consumer Price Index for the same period multiplied by the~~
25 ~~average total operating cost per revenue vehicle hour in the same~~
26 ~~three years.~~

27 ~~(b) The transportation planning agency, county transportation~~
28 ~~commission, or the San Diego Metropolitan Transit Development~~
29 ~~Board, as the case may be, shall adjust the calculation of operating~~
30 ~~costs and revenue vehicle hours pursuant to subdivision (a) to~~
31 ~~account for either or both of the following factors:~~

32 ~~(1) Exclusion of costs increases in excess of 125 percent of the~~
33 ~~operator's costs in the prior year for the following costs:~~

34 ~~(A) Fuel.~~

35 ~~(B) Alternative fuel programs.~~

36 ~~(C) Power, including electricity.~~

37 ~~(D) Insurance premiums.~~

38 ~~(E) Payments in settlement of claims arising out of the~~
39 ~~operator's liability.~~

~~(F) State or federal mandates, including the additional operating costs required to provide comparable complementary paratransit service as required by Section 37.121 of Title 49 of the Code of Federal Regulations, pursuant to the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), as identified in the operator's paratransit plan pursuant to Section 37.139 of Title 49 of the Code of Federal Regulations.~~

~~(2) Exclusion of startup costs for new services for a period of not more than two years.~~

~~(c) Funds withheld from allocation to an operator pursuant to subdivision (a) shall be retained by the transportation planning agency, county transportation commission, or the San Diego Metropolitan Transit Development Board, as the case may be, for reallocation to that operator for two years following the year of ineligibility. In a year in which an operator's funds are allocated pursuant to subdivision (a), funds withheld from allocation during a preceding year shall also be allocated. Funds not allocated before the commencement of the third year following the year of ineligibility shall be reallocated to cost-effective high-priority regional transit activities, as determined by the transportation planning agency, county transportation commission, or the San Diego Metropolitan Transit Development Board, as the case may be. If that agency or commission, or the board, determines that no cost-effective high-priority regional transit activity exists, the unallocated funds shall revert to the Controller for reallocation.~~

~~(d) As used in this section, the following terms have the following meanings:~~

~~(1) "Operating cost" means the total operating cost as reported by the operator under the Uniform System of Accounts and Records, pursuant to Section 99243 and subdivision (a) of Section 99247.~~

~~(2) "Revenue vehicle hours" has the same meaning as "vehicle service hours," as defined in subdivision (h) of Section 99247.~~

~~(3) "Consumer Price Index," as applied to an operator, is the regional Consumer Price Index for that operator's region, as published by the United States Bureau of Labor Statistics. If a regional index is not published, the index for the State of California applies.~~

~~(e) The restrictions in this section do not apply to allocations made for capital purposes.~~

6 CORRECTIONS

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